

BYLAWS
OF
FRIENDS OF KGLT, INC.

THESE BYLAWS ARE SUBJECT TO ARBITRATION UNDER
THE MONTANA UNIFORM ARBITRATION ACT.

ARTICLE I. OFFICES

Section 1.1 Business Office

The corporation's principal office shall be located either within or outside of Montana. The corporation's most current Annual Report, filed with the Montana Secretary of State, shall identify the location of the principal office. The corporation may have other offices, either within or outside of Montana. The board of directors may designate the location of these other offices. The secretary of the corporation shall maintain a copy of the records required by section 1.18 of Article I at the principal office.

Section 1.2 Registered Office

The corporation's registered office shall be located within Montana at the address of the corporation's registered agent. The location of the registered office may be, but need not be, identical with that of the principal office if the latter is located within Montana. The board of directors or a majority of the members may change the registered agent and the address of the registered office from time to time, upon filing the appropriate statement with the Secretary of State.

Section 1.18 Corporate Records

(a) *Minutes and Accounting Records.* The corporation shall keep a permanent record of the minutes of all meetings of its board of directors, a record of all actions taken by the board of directors without a meeting, and a record of all actions taken by a committee of the board of directors acting in place of the board and on behalf of the corporation. The corporation shall maintain appropriate accounting records.

(b) *Form.* The corporation shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

(c) *Other Records.* The corporation shall keep a copy of the following records at its principal office or at a location from which the records may be recovered within 2 business days:

- (1) its articles or restated articles of incorporation and all amendments to them currently in effect;
- (2) its bylaws or restated bylaws and all amendments to them currently in effect;
- (3) resolutions adopted by its board of directors;
- (4) a list of the names and business addresses of its current directors and officers; and,
- (5) its most recent annual report delivered to the Secretary of State.

ARTICLE II. BOARD OF DIRECTORS

Section 2.1 General Powers

All corporate powers shall be exercised by or under the authority of the board of directors. The business and affairs of the corporation shall be managed under the direction of the board of directors.

Section 2.2 Number, Tenure, and Qualifications of Directors

The maximum number of directors of the corporation shall be 35. Each director shall have one vote on any matter that comes before the board. Each director shall hold office for two years or until removed in accordance with section 2.3. However, if the director's term expires, the director shall continue to serve until the directors have elected and qualified a successor or until there is a decrease in the number of directors. Directors need not be residents of Montana.

The inaugural directors of the corporation shall be appointed by the incorporators at the first meeting of the directors.

Section 2.3 Removal of Directors

A director may be removed, with or without cause, if a majority of the board of directors present at a duly constituted meeting votes for the removal. Notice must be sent at least one month in advance to all directors that a purpose of the meeting is removal of a specific director.

Section 2.4 Board of Director Vacancies

If a vacancy occurs on the board of directors, including a vacancy resulting from an increase in the number of directors, the directors may fill the vacancy.

If the directors remaining in office constitute fewer than a quorum of the board, they may fill the vacancy by the affirmative vote of a majority of all the directors remaining in office.

If a director resigns effective at a specific later date, the directors may fill the vacancy, before the vacancy occurs, but the new director may not take office until the vacancy actually occurs.

When the directors elect a director to fill a vacancy, the director's term begins on that date.

Section 2.5 Ex-Officio Members of the Board

The executive directors or managers of the corporation, if and when they are hired, shall serve as non-voting, ex-officio members of the board. They are members by virtue of their position.

Each ex-officio member officer or director may attend board meetings and participate in discussion; however, each ex-officio member shall be entitled to one vote only if the individual is a regularly elected or appointed board member.

Section 2.6 Regular Meetings of the Board of Directors

The board of directors shall hold regular meetings as determined by the board of directors. The board of directors may provide, by resolution, the date, time and place (which shall be within the county where the company's principal office is located) of additional regular meetings.

Section 2.7 Special Meetings of the Board of Directors

The presiding officer of the board, the president, or 20% of the directors then in office may call and give notice of special meetings of the board of directors. Those authorized to call special board meetings may fix any place within the county where the corporation has its principal office as the special meeting place. Special board of director meetings may be held by conference telephone, if convened in accordance with section 2.8.

Section 2.8 Notice of, and Waiver of Notice for, Regular and Special Director Meetings

(a) *Notice of Regular Director Meetings.* The corporation's secretary shall give either oral or written notice of any regular director meeting at least seven (7) days before the meeting. The notice shall include the meeting place, day and hour.

(b) *Notice of Special Director meetings.* The corporation's secretary shall give either oral or written notice of any special director meeting at least two (2) days before the meeting. The notice shall include the meeting place, day and hour. If the meeting is to be held by conference telephone, the secretary must provide instructions for participating in the telephone meeting.

(c) *Effective Date.* If mailed, notice of any director meeting shall be deemed to be effective at the earlier of:

- (1) Five (5) days after deposited in the United States mail, addressed to the director's business office, with postage prepaid; or
- (2) the date shown on the return receipt (if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the director); or
- (3) the date when received via United States mail or by electronic mail.

(d) *Waiver of Notice.* Any director may waive notice of any meeting. The waiver must be in writing, signed by the director entitled to the notice, and filed with the minutes or corporate records.

A director's attendance at a meeting waives the director's right to object to lack of notice or defective notice of the meeting; this shall be true unless the director, at the beginning of the meeting (or promptly upon arrival), objects to holding the meeting or transacting business at the meeting, and does not vote for or assent to action taken at the meeting.

Neither the secretary nor director needs to specify in the notice or waiver of notice the business to be transacted at, or the purpose of, any special board meeting.

Section 2.9 Director Quorum

A majority of the number of sitting directors shall constitute a quorum for the transaction of business at any board of director meeting.

Section 2.10 Directors, Manner of Acting

(a) *Required Number to Constitute Act.* The act of a majority of the directors present at a meeting at which a quorum is present (when the vote is taken) shall be the act of the board of directors. If no quorum is present at a meeting of directors, the directors may not take action on any board matter other than to adjourn the meeting to a later date.

(b) *Director Approval.* The corporation shall deem a director to have approved of an action taken if the director is present at a meeting of the board unless:

- (1) the director objects at the beginning of the meeting (or promptly upon arrival) to holding it or transacting business at the meeting; or
- (2) the director's dissent or abstention from the action taken is entered in the minutes of the meeting; or
- (3) the director delivers written notice of dissent or abstention to the presiding officer of the meeting before its adjournment or to the corporation immediately after

adjournment of the meeting. The right of dissent or abstention is not available to a director who votes in favor of the action taken.

Section 2.11 Conduct of Board of Director Meetings

The president, or in the president's absence, any person chosen by the directors present shall call the meeting of the directors to order and shall act as the chairperson of the meeting. The chairperson, or the chairperson's designee, shall establish rules of the meeting that will freely facilitate debate and decision making. The chairperson will indicate who may speak when and when a vote will be taken. The secretary of the corporation shall act as the secretary of all meetings of the directors, but in the secretary's absence, the presiding officer may appoint any other person to act as the secretary of the meeting.

Section 2.12 Mediation, Arbitration if Board Deadlocked

(a) *General.* If the board of directors is equally divided on any aspect of the management of the property, business and affairs of the corporation, or corporation transactions, or if the board is equally divided on any question, dispute, or controversy, and the deadlock is preventing action or non-action by the board, then the board shall submit the deadlock to mediation in accordance with section 2.12(b). If the directors are unable to resolve the deadlock through mediation, the directors agree to submit the dispute to binding arbitration in accordance with section 2.12(c).

(b) *Mediation.* If the board of directors is unable to resolve the deadlock itself, the directors agree to submit the dispute to mediation and the following guidelines shall apply:

- (1) The directors agree to have the dispute mediated by one of three persons (in the order listed upon their selection, circumstances permitting) selected for annual terms by the directors.
- (2) The directors agree to follow the mediation procedure selected by the mediator.
- (3) Mediation shall terminate upon the request of the mediator or 30% of the directors.

(c) *Arbitration.* If the board of directors are unable to resolve the deadlock through mediation, upon written request of thirty percent (30%) of the directors, the directors agree to submit the deadlock to binding arbitration in the following manner:

- (1) At a duly held board meeting, directors shall submit written requests for an arbitrator; the board shall then vote on which arbitrator to select. If the majority of board members agree on a single arbitrator, then the board shall contact that individual with a request for arbitration. If a majority of the board members cannot agree on a single arbitrator, then the board shall select two (2) arbitrators, each

director having, in the selection, a number of votes equal to the number of directors under a system of cumulative voting; after the members appoint two (2) arbitrators, those two (2) arbitrators shall select a third arbitrator to be the professional who actually arbitrates for the board. If the initial two (2) arbitrators are unable to agree within fifteen (15) days upon a third arbitrator, the President of the corporation will ask an officer at the corporation's primary banking facility to appoint the third arbitrator.

- (2) The arbitrator shall determine, decide on and help resolve the matters that are equally dividing the board of directors. The arbitrator's scope of responsibility will be to decide on matters including (but not limited to) whether the subject before the board is a proper subject for action by the board; the arbitrator may decide whether matters have been properly submitted to the board for decision, whether, the board is actually divided, and whether this section and the arbitration provisions provided here were properly invoked by the board or applicable. The arbitrator may act until all questions, disputes and controversies are determined, adjudged, and resolved.
- (3) The arbitrator shall conduct the arbitration proceedings in accordance with the rules of the American Arbitration Association, then in effect, except where these bylaws make a special provision.
- (4) The arbitrator's decision shall be conclusive and binding upon the board of directors, the corporation and the parties on all matters that the board submits to the arbitrator. The arbitrator's decision shall be the equivalent of a resolution unanimously passed by the full board at an organized meeting. The board of directors or the members may not revoke, amend or overrule the decision, except by a majority action of either body. The arbitrator's decision shall be filed with the secretary of the corporation; and the arbitrator may enter judgment on the decision in the highest court of the forum having jurisdiction.

Section 2.13 Director Action Without a Meeting

The directors may act on any matter generally required or permitted at a board meeting, without actually meeting, if: all the directors take the action, each one signs a written consent describing the action taken, and the directors file all the consents with the records of the corporation. Action taken by consents is effective when the last director signs the consent, unless the consent specifies a different effective date. A signed consent has the effect of a meeting vote and may be referred to as a meeting vote in any document.

Section 2.14 Director Committees

(a) *Creation of Committees.* The board of directors may create one or more committees and appoint members of the board to serve on them. Each committee must have 2 or more members, who serve at the pleasure of the board of directors. Members of a committee may also be directors, but are not required to be directors.

(b) *Selection of Members.* To create a committee and appoint members to it, the board must acquire approval by the majority of all the existing directors when the action is taken.

(c) *Required Procedures.* Sections 2.6, 2.7, 2.8, 2.9, 2.10, 2.11, 2.12, and 2.13 of this Article II, which govern meetings, notice and waiver of notice, quorum and voting requirements, conduct of the board of directors, and action without meetings apply to committees and their members. In addition, the committees shall keep regular minutes of their proceedings and report the same to the board of directors. The committees are subject to all the procedural rules governing the operation of the board itself.

(d) *Authority.* Each committee may exercise the specific board authority which the board of directors confers upon the committee in the resolution creating the committee. Provided, however, a committee may not:

- (1) approve or recommend to members dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the corporation's assets;
- (2) elect, appoint, or remove directors or fill vacancies on the board of directors or on any of its committees; or
- (3) adopt, amend, or repeal the articles or bylaws.

(e) *Audit Committee.* The board of directors, by resolution adopted by the affirmative vote of a majority of the directors then in office, may create an audit committee consisting of three (3) or more directors designated by the board of directors, but not employed by the corporation. The committee shall have the power to appoint, oversee, and assist accountants or auditors in any audit or review of the records of the corporation.

Section 2.15 Compensation, Loans to, or Guarantees for Directors

(a) *Director Compensation.* The board of directors may, upon approval of the majority of that board, pay each director expenses, if any, of attendance at each board meeting or committee meeting of the board. The directors shall not be paid a salary or fee for attending the meeting. A director may, however, serve the corporation as an employee and receive compensation.

(b) *Loans to or Guaranties for Directors.* The corporation may not lend money to or guarantee the obligation of a director of the corporation.

ARTICLE III. OFFICERS

Section 3.1 Number of Officers

The officers of the corporation shall be a president, a secretary, and a treasurer. The board of directors shall appoint each of these officers. The board may appoint other officers and assistant officers, if it deems it necessary. If the board of directors specifically authorizes an officer to appoint one or more officers or assistant officers, the officer may do so. The same individual may simultaneously hold more than one office in the corporation.

Section 3.2 Appointment and Term of Office

The board of directors shall appoint officers of the corporation for a term that the board determines. If the board does not specify a term, the officers shall hold office for one year or, within that year, until they resign, die or are removed in a manner provided in section 3.3 of Article III.

A designation of a specified term does not grant to the officer any contract rights, and the board can remove the officer at any time prior to the termination of the designated term.

Section 3.3 Removal of Officers

The board of directors may remove any officer or agent any time, with or without cause. The removal shall be without prejudice to the contract rights, if any, of the person removed. A board's appointment of an officer or agent shall not of itself create contract rights.

Section 3.4 President

The president shall be the principal executive officer of the corporation. The president shall be subject to the control of the board of directors, and shall in general supervise and control, in good faith, all of the business and affairs of the corporation. The president shall, when present, preside at all meetings of the members and of the board of directors. The president may sign, with the secretary or any other proper officer of the corporation that the board has authorized, corporation deeds, mortgages, bonds, contracts, or other board authorized instruments.

Section 3.5 The Secretary

The secretary shall in good faith: (1) create and maintain one or more books for the minutes of the proceedings of the board of directors; (2) provide that all notices are served in accordance with these bylaws or as required by law; (3) be custodian of the corporate records; (4) when requested or required, authenticate any records of the corporation; and (5) in general perform all duties incident to

the office of secretary and any other duties that the president or the board may assign to the secretary.

Section 3.6 The Treasurer

The treasurer shall: (1) have charge and custody of and be responsible for all funds and securities of the corporation; (2) receive and give receipts for moneys due and payable to the corporation from any source, and deposit all moneys in the corporation's name in banks, trust companies, or other depositories that the board shall select; (3) if required by the board of directors, submit the books and records to a Certified Public Accountant or other accountant for annual audit or review; and (4) in general perform all of the duties incident to the office of treasurer and any other duties that the president or board may assign to the treasurer. If required by the board of directors, the treasurer shall give a bond for the faithful performance of the treasurer's duties and as insurance against the misappropriation of funds. If a bond is required, it shall be in a sum and with the surety or sureties that the board of directors shall determine.

Section 3.7 Assistant Secretaries and Assistant Treasurers

If appointed, any assistant secretaries and assistant treasurers, in general, shall perform the duties that the secretary or treasurer, respectively, or the president or board may assign to them. The assistant treasurers shall, if required by the board, give bonds for the faithful performance of their duties and as insurance against the misappropriation of funds; the bond shall be in sums and with the sureties that the board of directors shall determine.

Section 3.8 Salaries, Loans to, or Guarantees for Officers

The board of directors may fix and or adjust salaries of the officers from time to time. The corporation may not lend money to or guarantee the obligation of an officer of the corporation.

ARTICLE IV. NOTIFICATION OF ATTORNEY GENERAL

Section 4.1 Notification of Attorney General

The secretary of the corporation shall notify the attorney general of the State of Montana when dissolution, indemnification, merger, removal of directors, and the sale of assets (as defined in the Montana Nonprofit Corporation Act) occur. The secretary shall deliver notice in the manner required by each event and cooperate with the Attorney General in providing necessary information.

- (1) Dissolution.
 - (i) In the event of dissolution, the secretary shall give the Attorney General written notice that the corporation intends to dissolve at or before the time the

secretary delivers articles of dissolution to the secretary of state. The notice must include a copy or summary of the plan of dissolution.

- (ii) The corporation shall not transfer or convey assets as part of the dissolution process until 20 days after the secretary has given the written notice required by section 4.1(1)(i) to the Attorney General or until the Attorney General has consented in writing to the dissolution or indicated that the Attorney General will not take action in respect to transfer or conveyance, whichever is earlier.
- (iii) When the corporation has transferred or conveyed all or substantially all of its assets following approval of dissolution, the board shall deliver to the Attorney General a list showing those, other than creditors, to whom the corporation transferred or conveyed assets. The list must indicate the address of each person, other than creditors, who received assets and an indication of what assets each received.

(2) Indemnification

The secretary of the corporation must give the Attorney General written notice of its proposed indemnification of a director. The corporation may not indemnify a director until 20 days after the effective date of the written notice.

(3) Merger

The secretary of the corporation must give the Attorney General written notice of a proposed merger of the corporation, and include with the notice a copy of the proposed plan of merger, at least 20 days before consummation of any merger.

(4) Removal of Directors

The secretary of the corporation must give written notice to the Attorney General if the corporation or at least 10% of its members commence a proceeding to remove any director by judicial proceeding.

(5) Sale of assets

The secretary of the corporation must give written notice to the Attorney General 20 days before it sells, leases, exchanges, or otherwise disposes of all or substantially all of its property if the transaction is not in the usual and regular course of its activities, unless the Attorney General has given the corporation a written waiver of this subsection.

ARTICLE V. INDEMNIFICATION OF DIRECTORS, OFFICERS

AGENTS, AND EMPLOYEES

Section 5.1 Indemnification of Directors

(a) *General.* An individual made a party to a proceeding because the individual is or was a director of the corporation may be indemnified against liability incurred in the proceeding, but only if the indemnification is both:

- (1) determined permissible and
- (2) authorized, as defined in subsection (b) of this section 5.1 (The indemnification is further subject to the limitation specified in subsection (d) of section 5.1.)

(b) *Determination and Authorization.* The corporation shall not indemnify a director under section 5.1 of Article V unless:

- (1) *Determination.* Determination has been made in accordance with procedures set forth in the Montana Nonprofit Corporation Act that the director met the standard of conduct set forth in subsection (c) below, and
- (2) *Authorization.* Payment has been authorized in accordance with procedures listed in the Montana Nonprofit Corporation Act based on a conclusion that the expenses are reasonable, the corporation has the financial ability to make the payment, and the financial resources of the corporation should be devoted to this use rather than some other use by the corporation.

(c) *Standard of Conduct.* The individual shall demonstrate that:

- (1) the individual acted in good faith; and
- (2) the individual reasonably believed:
 - (i) in acting in an official capacity with the corporation, that the individual's conduct was in the corporation's best interests;
 - (ii) in all other cases, that the individual's conduct was at least not opposed to the corporation's best interests; and
 - (iii) in the case of any criminal proceeding, that the individual had no reasonable cause to believe that the conduct was unlawful.

A director's conduct with respect to an employee benefit plan for a purpose the director reasonably believed to be in the interests of the participants in or beneficiaries of the plan is conduct that satisfies the requirement of subsection (c)(2)(ii).

The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, is not, of itself, a determination that the director did not meet the standard of conduct described in this section.

(d) *No indemnification Permitted in Certain Circumstances.* The corporation shall not indemnify a director under section 5.1 of Article V if:

- (1) the director was adjudged liable to the corporation in a proceeding by or in the right of the corporation; or
- (2) the director was adjudged liable in any other proceeding charging that the director improperly received personal benefit, whether or not the individual acted in an official capacity.

(e) *Indemnification Limited.* Indemnification permitted under section 5.1 of Article V in connection with a proceeding by the corporation or in the right of the corporation is limited to the reasonable expenses incurred in connection with the proceeding.

Section 5.2 Advance Expenses for Directors

The company may pay for or reimburse, in advance of final disposition of the proceeding, the reasonable expenses incurred by a director who is a party to a proceeding if:

- (1) by following the procedures of the Montana Nonprofit Corporation Act the board of directors determined that the director met requirements (3)-(5) listed below; and
- (2) the board of directors authorized an advance payment to a director; and
- (3) the director has furnished the corporation with a written affirmation of the director's good faith belief that the director has met the standard of conduct described in section 5.1 of Article V; and
- (4) the director has provided the corporation with a written undertaking, executed personally or on the director's behalf, to repay the advance if it is ultimately determined that the director did not meet the standard of conduct; the director's undertaking must be an unlimited general obligation, but need not be secured, and the corporation may accept the undertaking without reference to financial ability to make repayment; and

- (5) the board of directors determines that the facts then known to it would not preclude indemnification under section 5.1 of this Article V or the Montana Nonprofit Corporation Act.

Section 5.3 Indemnification of Officers, Agents and Employees

The board of directors may choose to indemnify and advance expenses to any officer, employee, or agent of the corporation applying those standards described in sections 5.1 and 5.2 of Article V.

Section 5.4 Mandatory Indemnification

Notwithstanding any other provisions of these bylaws, the corporation shall indemnify a director or officer, who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which the director or officer was a party because he or she is or was a director or officer of the corporation, against expenses incurred by the director or officer in connection with the proceeding.

ARTICLE VI. CONTRACTS, LOANS, CHECKS AND DEPOSITS; SPECIAL CORPORATE ACTS

Section 6.1 Contracts

The board of directors may authorize any officer or officers, agent or agents, to enter into any contract or execute or deliver any instruments in the name of and on behalf of the corporation and such authorization may be general or confined to specific instruments.

Section 6.2 Loans

The corporation shall not allow anyone to contract on behalf of it for indebtedness for borrowed money unless the board of directors authorizes such a contract by resolution. The corporation shall not allow anyone to issue evidence of the corporation's indebtedness unless the board of directors authorizes the issuance by resolution. The authorization may be general or specific.

Section 6.3 Checks, Drafts, etc.

The board of directors shall authorize by resolution which officer(s) or agent(s) may sign and issue all corporation checks, drafts or other orders for payment of money, and notes or other

evidence of indebtedness. The board of directors shall also determine by resolution the manner in which these documents will be signed and issued.

Section 6.4 Deposits

The treasurer of the corporation shall deposit all funds of the corporation, that are not being used, in banks and other depositories; the board of directors shall authorize by board resolution the exact location of the banks and depositories.

Section 6.5 Voting of Securities Owned by this Corporation

(a) *General.* Subject to the specific directions of the board of directors, any shares or other securities issued by another corporation and owned or controlled by this corporation may be voted at any meeting of security holders of the other corporation by the president of this corporation who may be present.

(b) *Proxy.* Whenever, in the judgement of the president, or in the president's absence, the vice-president, it is desirable for this corporation to execute a proxy or written consent in respect to any shares or other securities issued by any other corporation and owned by this corporation, the president or vice-president of this corporation, acting in the name of this corporation, shall execute the proxy or written consent. The president or vice-president will not need the authorization of the board to take this action. Nor will the president or vice president need to affix a corporate seal, countersignature or attestation by another officer. Any person or persons designated in this subsection as the proxy or proxies of this corporation shall have the full right, power, and authority to vote the shares or other securities issued by the other corporation and owned by this corporation the same as the shares or other securities might be voted by this corporation.

ARTICLE VII. PROHIBITED TRANSACTIONS

Section 7.1 Prohibited Transactions

(a) *Prohibition Against Sharing in Corporation Earnings.* No member, director, officer, employee, committee member, or person connected with the corporation shall receive at any time any of the net earnings or pecuniary profit from the operations of the corporation; provided that this shall not prevent the corporation's payment to any person of reasonable compensation for services rendered to or for the corporation in effecting any of its purposes as determined by the board of directors.

(b) *Prohibition Against Issuance of Stock, Dividends, Distributions.* The corporation shall not have or issue shares of stock. No dividends shall be paid. No part of the income or assets of the corporation shall be distributed to any of the persons listed in section 7.1(a) without full consideration. The corporation is prohibited from lending money to guarantee the obligation of a director or officer of the corporation. (See sections 2.15(b) and 3.8). No member of the corporation

has any vested right, interest or privilege in or to the assets, property, functions or activities of the corporation. The corporation may contract in due course, for reasonable consideration, with its members, trustees, officers without violating this provision.

(c) *No Personal Distributions Upon Dissolution.* None of the persons listed in section 7.1(a) shall be entitled to share in the distribution of any of the corporation's assets upon the dissolution of the corporation. All members of the corporation are deemed to have expressly agreed that, upon the dissolution or the winding up of the affairs of the corporation, whether voluntary or involuntary, the assets of the corporation, after all debts have been satisfied, then remaining in the hands of the board of directors, shall be distributed, transferred, conveyed, delivered, and paid over exclusively to the organization or organizations as the board of directors may designate. Receiving organizations must be organized and operated exclusively for charitable, education, religious or scientific purposes and at the time qualify as an exempt organization or organizations under section 501(c)(3) of the Internal Revenue Code of 1986 as it now exists or may later be amended.

(d) *Other Prohibitions.* Neither the corporation, nor its directors, nor its officers have any power to cause the corporation to do any of the following with Related Parties:

(1) make any substantial purchase of securities or other property, for more than adequate consideration in money or money's worth;

(2) sell any substantial part of its securities or other property, for less than an adequate consideration in money or money's worth.

For the purpose of this subsection, Related Parties means any person who has made a substantial contribution to the corporation, or with a brother, sister, spouse, ancestor, or lineal descendant of the person giving, or with a corporation directly or indirectly controlled by the person giving.

Section 7.2 Prohibited Activities

Notwithstanding any other provisions of these bylaws, no member, director, officer, employee or representative of this corporation shall take any action or carry on any activity by or on behalf of the corporation not permitted to be taken or carried on by an exempt organization under section 501(c)(3) of the Internal Revenue Code of 1986 and its regulations as they now exist or as they may later be amended, or by an organization, contributions to which are deductible under section 170(d)(2) of the Internal Revenue Code of 1986 and regulations as they now exist or as they may later be amended.

Section 7.3 Corporate Funds Used For Indemnification.

Corporate funds may be used to benefit officers and directors by way of indemnification, but only if such indemnification is authorized by Article VI of these bylaws.

ARTICLE VIII. EMERGENCY BYLAWS

Section 8.1 Emergency Bylaws

(a) *General.* The following provisions of this Article VIII, section 8.1 "Emergency Bylaws" shall be effective during an emergency which is defined as when a quorum of the corporation's directors cannot be readily assembled because of some catastrophic event.

(b) *Notice of Board Meetings.* During an emergency, any one member of the board of directors or any one of the following officers: president, secretary or treasurer, may call a meeting of the board of directors. Notice of the emergency meeting need be given only to those directors and officers whom it is practicable to reach, and may be given in any practical manner, including by publication and radio. The notice shall be given at least 6 hours prior to commencement of the meeting.

(c) *Temporary Directors and Quorum.* During an emergency, one or more officers of the corporation present at the emergency board meeting shall be considered to be temporary director(s) for the meeting. The number of officers needed shall equal the number of directors necessary to constitute a quorum. The officers shall serve in the order of rank, and within the same rank, in order of seniority. In the event that less than a quorum (as determined by Article II, section 2.10) of the directors are present (including any officers who are to serve as directors for the meeting), those directors present (including the officers serving as directors) shall constitute a quorum.

(d) *Actions Permitted to be Taken.* The board as constituted in paragraph (c), and after giving notice as described in paragraph (b) may:

- (1) Officer's Powers. Prescribe emergency powers to any officer of the corporation;
- (2) Delegation of Any Power. Delegate to any officer or director any of the powers of directors;
- (3) Lines of Succession. Designate lines of succession of officers and agents, in the event that any of them are unable to discharge their duties;
- (4) Relocate Principal Place of Business. Relocate the principal place of business or designate successive or simultaneous principal places of business;
- (5) All Other Action. Take any other action, convenient, helpful, or necessary to carry on the business of the corporation.

ARTICLE IX. AMENDMENTS

Section 9.1 Amendments

Unless otherwise required by the Montana Nonprofit Corporation Act, an amendment to a corporation's bylaws must be approved by the board of directors.

DATED this _____ day of June, 1997.

_____, President

ATTEST:

_____, Secretary